

NOTICE PUBLICATION/REGULATIONS SUBMISSION

(See instructions on reverse)

For use by Secretary of State only

STD. 400 (REV. 01-2013)

OAL FILE
NUMBERS

NOTICE FILE NUMBER

Z-

REGULATORY ACTION NUMBER

2014-0407-03N

EMERGENCY NUMBER

For use by Office of Administrative Law (OAL) only

2014 APR -7 PM 1:38

OFFICE OF
ADMINISTRATIVE LAWENDORSED FILED
IN THE OFFICE OF

2014 APR 23 PM 2:30

Debra Bowen
DEBRA BOWEN
SECRETARY OF STATE

NOTICE

REGULATIONS

AGENCY WITH RULEMAKING AUTHORITY
Bureau of Real Estate Appraisers

AGENCY FILE NUMBER (if any)

A. PUBLICATION OF NOTICE (Complete for publication in Notice Register)

1. SUBJECT OF NOTICE		TITLE(S)		FIRST SECTION AFFECTED	2. REQUESTED PUBLICATION DATE
3. NOTICE TYPE Notice re Proposed Regulatory Action <input type="checkbox"/> Other <input type="checkbox"/>		4. AGENCY CONTACT PERSON		TELEPHONE NUMBER	FAX NUMBER (Optional)
OAL USE ONLY	ACTION ON PROPOSED NOTICE <input type="checkbox"/> Approved as Submitted <input type="checkbox"/> Approved as Modified <input type="checkbox"/> Disapproved/Withdrawn			NOTICE REGISTER NUMBER	PUBLICATION DATE

B. SUBMISSION OF REGULATIONS (Complete when submitting regulations)

1a. SUBJECT OF REGULATION(S) Real Estate Appraisers -- Technical and Conforming Changes		1b. ALL PREVIOUS RELATED OAL REGULATORY ACTION NUMBER(S)	
2. SPECIFY CALIFORNIA CODE OF REGULATIONS TITLE(S) AND SECTION(S) (Including title 26, if toxics related)			
SECTION(S) AFFECTED (List all section number(s) individually. Attach additional sheet if needed.)		ADOPT none	
		AMEND 3541; and 3568	
TITLE(S) 10		REPEAL none	
3. TYPE OF FILING			
<input type="checkbox"/> Regular Rulemaking (Gov. Code §11346) <input type="checkbox"/> Resubmittal of disapproved or withdrawn nonemergency filing (Gov. Code §§11349.3, 11349.4) <input type="checkbox"/> Emergency (Gov. Code, §11346.1(b)) <input type="checkbox"/> Certificate of Compliance: The agency officer named below certifies that this agency complied with the provisions of Gov. Code §§11346.2-11347.3 either before the emergency regulation was adopted or within the time period required by statute. <input type="checkbox"/> Resubmittal of disapproved or withdrawn emergency filing (Gov. Code, §11346.1) <input type="checkbox"/> Emergency Readopt (Gov. Code, §11346.1(h)) <input type="checkbox"/> File & Print <input type="checkbox"/> Other (Specify) _____			
<input checked="" type="checkbox"/> Changes Without Regulatory Effect (Cal. Code Regs., title 1, §100) <input type="checkbox"/> Print Only			
4. ALL BEGINNING AND ENDING DATES OF AVAILABILITY OF MODIFIED REGULATIONS AND/OR MATERIAL ADDED TO THE RULEMAKING FILE (Cal. Code Regs. title 1, §44 and Gov. Code §11347.1) N/A			
5. EFFECTIVE DATE OF CHANGES (Gov. Code, §§ 11343.4, 11346.1(d); Cal. Code Regs., title 1, §100)			
<input type="checkbox"/> Effective January 1, April 1, July 1, or October 1 (Gov. Code §11343.4(a)) <input type="checkbox"/> Effective on filing with Secretary of State <input checked="" type="checkbox"/> §100 Changes Without Regulatory Effect <input type="checkbox"/> Effective other (Specify) _____			
6. CHECK IF THESE REGULATIONS REQUIRE NOTICE TO, OR REVIEW, CONSULTATION, APPROVAL OR CONCURRENCE BY, ANOTHER AGENCY OR ENTITY			
<input type="checkbox"/> Department of Finance (Form STD. 399) (SAM §6660) <input type="checkbox"/> Fair Political Practices Commission <input type="checkbox"/> State Fire Marshal <input checked="" type="checkbox"/> Other (Specify) Denise D. Brown, Director, Department of Consumer Affairs			
7. CONTACT PERSON Alec Stone, Legal Counsel		TELEPHONE NUMBER 916-341-6126	FAX NUMBER (Optional) E-MAIL ADDRESS (Optional) alec.stone@orea.ca.gov

8. I certify that the attached copy of the regulation(s) is a true and correct copy of the regulation(s) identified on this form, that the information specified on this form is true and correct, and that I am the head of the agency taking this action, or a designee of the head of the agency, and am authorized to make this certification.

SIGNATURE OF AGENCY HEAD OR DESIGNEE

DATE

3/11/2014

TYPED NAME AND TITLE OF SIGNATORY

James S. Martin, Bureau Chief, Bureau of Real Estate Appraisers

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ENDORSED APPROVED

APR 23 2014

Office of Administrative Law

PROPOSED TEXT
California Code of Regulations
Title 10, Chapter 6.5

The text below represents existing language modified to show proposed changes. Proposed deletions are in ~~striketrough~~. Proposed additions are in underline.

§ 3541. Minimum Experience Requirements.

(a) To meet the minimum experience requirements, applicants for certified general shall have a minimum of 3,000 hours of real property appraisal experience obtained continuously over a period of not less than 30 months in one or more of the categories listed in Section 3542. Of the 3,000 hours, certified general applicants must have a minimum 1,500 hours of non-residential appraisal experience in one or more of the categories listed in Section 3542.

(b) To meet the minimum experience requirements, applicants for certified residential shall have a minimum of 2,500 hours of real property appraisal experience obtained continuously over a period of not less than 30 months in one or more of the categories listed in Section 3542.

(c) To meet the minimum experience requirements, applicants applying to be a state licensed real estate appraiser shall have 2,000 hours of real estate appraisal experience obtained over a period of not less than 12 months in one or more of the categories listed in Section 3542.

(d) To meet the minimum experience requirements, real estate brokers applying to be a residential licensed real estate appraiser shall have a valid California real estate brokers license and 1,000 hours of real estate appraisal experience in one or more of the categories listed in Section 3542.

(1) Appraisers licensed pursuant to subsection (d) who have not provided the Bureau with substantiation of the minimum 2,000 hours of experience are not in compliance with minimum AQB licensing criteria_ ~~and will be identified on the National Registry as "Not AQB Compliant" until such time as they have provided the Bureau with substantiation of having met the minimum requirement of 2,000 hours of experience as specified in Section 3563.~~ Accordingly, such appraisers do not hold a federally recognized credential, are not authorized to perform federally related real estate appraisal activity as defined in Business and Professions Code section 11302(i), and will not be reported to ASC for inclusion on the National Registry.

(e) A maximum of 400 hours of experience in review of appraisals may be credited towards the minimum experience hours, no more than 50% of which may consist of desk reviews. Only those reviews performed after obtaining 1,600 hours of acceptable experience in other categories may be credited towards meeting minimum experience requirements.

(f) All experience claimed must be in conformance with USPAP and completed after January 30, 1989.

Note: Authority cited: Sections 11313, 11314 and 11340, Business and Professions Code.
Reference: Section 11340, Business and Professions Code.

§ 3568. Trainee Licenses and Supervising Appraiser Responsibilities.

(a) To obtain a Trainee License, applicants ~~must~~ shall satisfy the following minimum requirements:

(1) Education:

(A) Completion of basic education which covers the minimum number of hours and specific topics required by AQB for a residential level license and meets the minimum requirements of Section 3543; and

(B) 15 hours of USPAP which consists of the 15-hour National USPAP Course or its equivalent.

(C) All education ~~must~~ shall be completed within the five-year period immediately preceding the date the application was received by the Bureau.

(2) Successful passage of the National Uniform Appraiser License examination or its equivalent.

(b) To accrue acceptable experience, trainee licensees ~~must~~ shall:

(1) Acquire experience pursuant to Section 3542.

(2) Work under the direct technical supervision of an appraiser licensed at the certified level and in good standing.

(3) Maintain an appraisal log in conformance with the requirements of Section 3563.

(c) Trainees ~~must~~ shall maintain copies of appraisal reports which appear on the log.

(d) Trainees shall comply with the continuing education requirements of Section 3543.

(e) The supervising appraiser ~~must~~ shall:

- (1) Personally inspect the property with the trainee until the trainee is competent to make unsupervised inspections in accordance with the Competency Provision of USPAP for the type of property being appraised;
- (2) Review the trainee's appraisal report;
- (3) Accept responsibility for the appraisal report by signing and certifying that the report is in compliance with USPAP;
- (4) Review and initial each page of the trainee's Log of Appraisal Experience Form REA 3004 (Rev. 4/7/08) and verify under penalty of perjury that the work was completed under his/her supervision; and
- (5) Maintain records of the trainee's appraisals in accordance with USPAP.

(f) Supervising appraisers ~~must be licensed at the certified level and be in good standing with the Bureau and may not supervise more than three appraisers at one time.~~ shall:

- (1) be licensed at the certified level;
- (2) be in good standing with the Bureau;
- (3) not supervise more than three trainees at one time; and
- (4) not be subject to any disciplinary action within the last two years that affects the supervisor's legal eligibility to engage in appraisal practice.

Note: Authority cited: Sections 11313, 11314 and 11340, Business and Professions Code.
Reference: Section 11341, Business and Professions Code.